

ARCHER & GREINER, P.C.
Stephen M. Packman
Harrison H.D. Breakstone
1211 Avenue of the Americas
Suite 2750
New York, NY 10036-8701
Phone: (212) 682-4940
Fax: (856) 795-0574
Email: spackman@archerlaw.com
hbreakstone@archerlaw.com

*Counsel for Terry Kan and Anita Hou, Joint
Liquidators of SMI Holdings Group Limited*

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK**

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In re:

Chapter 7

HUI QIN a/k/a
MUK LAM LI a/k/a
KARL QIN,

Case No. 24-41955 (ESS)

Debtor.

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**TERRY KAN AND ANITA HOU, JOINT LIQUIDATORS OF SMI HOLDINGS GROUP
LIMITED'S JOINDER TO CHAPTER 7 TRUSTEE'S MOTION FOR ORDER
DISALLOWING DEBTOR'S CLAIMS FOR EXEMPTIONS FOR PERSONAL PROPERTY**

1. Terry Kan And Anita Hou, Joint Liquidators of SMI Holdings Group Limited (the “Liquidators”), by its undersigned counsel, respectfully join (“Joinder”) in the Chapter 7 Trustee’s (“Trustee”) *Motion for Order Disallowing Debtor’s Claimed Exemptions for Personal Property* (the “Motion”) [Dkt. No. 67] and, in support thereof, aver as follows:

2. The Liquidators respectfully reserve the right to supplement this Joinder in writing, if permitted by the Court, and at any hearing conducted on the Motion.

3. The Joinder is premised on those facts and arguments made by the Trustee in the Motion and additionally, without limitation or prejudice, upon the following bases.

4. The Liquidators are fiduciaries in Hong Kong tasked with liquidation of the insolvency “estates” of the debtors, SMI Holdings Group Limited (“SMI Debtors”).

5. The Debtor, Qin Hui (“Hui Debtor”) was the majority shareholder and de-facto Director of the SMI Debtors prior to HSBC’s winding up petition (“Winding Up Petition”), filed against the SMI Debtors in April of 2019.

6. The High Court in Hong Kong granted the Winding Up Petition, placing the SMI Debtors into Court winding-up proceedings in Hong Kong (“Winding Up Proceedings”).

7. The Liquidators were appointed by Justice Harris of the High Court in Hong Kong in May of 2020 and have been active in that role since that time.

8. In the course of their investigations, the Liquidators have discovered that the Hui Debtor, in concert with others including his former spouse, defrauded the SMI Debtors by, among other actions, essentially stealing U.S. \$37,000,000 from the SMI Debtors prior to their Winding Up Proceedings. *See* Liquidators’ Amended Proof of Claim filed at 17-1 on Claims Register.¹

9. The Liquidators believe that the Hui Debtor then used these funds to acquire the assets, or certain of them, which he now claims are subject to bankruptcy exemptions in this “Chapter 7 Case”.

10. Bankruptcy Rule 4003(b)(2) states “the trustee may file an objection to a claim of exemption at any time prior to one year after the closing of the case if the debtor fraudulently asserted the claim for exemption...” Rule 4003(b)(2).

11. The Liquidators believe that the exemptions claimed are fraudulently asserted by the Hui Debtor, as he has failed to disclose to this Honorable Court his fraud perpetrated upon

¹ The Hui Debtor claims to have made a personal loan to the SMI Debtors of US\$100 million, but no proof of debt has ever been filed in the liquidation estate of the SMI Debtors. The Liquidators have not been made previously aware of such an alleged, substantial claim.

the Liquidators and the creditors of the SMI Debtors and, by extension, the Trustee and creditors of this Chapter 7 bankruptcy estate.

WHEREFORE, the Liquidators respectfully join the Motion and request entry of an Order granting the Motion and for such other relief as the Court deems appropriate and just under the circumstances.

Date: New York, NY
October 29, 2024

ARCHER & GREINER, P.C.

/s/ Stephen M. Packman

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